



Region 9 Environmental Finance Center

AT CALIFORNIA STATE UNIVERSITY,
EAST BAY



In This Report

Background & Summary.....	96
Activities & Accomplishments	97
Performance Measures	105



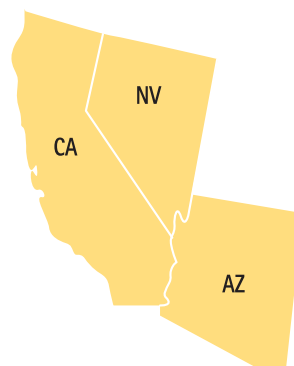
BACKGROUND & SUMMARY

The U.S. Environmental Protection Agency's (EPA's) Region 9 Environmental Finance Center (known as EFC9) is a university-based EFC affiliated with California State University, East Bay, working for greener communities through cleaner business, by promoting pollution prevention, source reduction and energy conservation. EFC9 serves the EPA Region 9 states of California, Nevada, Arizona, and Hawaii, and the tribal lands and trust territories of Guam and American Samoa, and is the only EPA EFC dedicated to resolving environmental issues in the private sector.

EFC9's mission is to: 1) encourage business to undertake source reduction, pollution prevention, and energy conservation, 2) educate and encourage consumers to choose green business products and services, and 3) help communities promote cleaner business. Working with both the private and public sectors, EFC9 pursues its mission through numerous tools, including environmental facilitation and mediation; green business program development; innovative finance program development; business incubator development; and conferences, workshops, and roundtables.

The major focus of EFC9's work during FY 2005 was

REGION 9



to build on experience working with industry and small businesses. For example, the EFC continued its efforts to promote, develop, and institutionalize pollution prevention and resource conservation in regional businesses as part of the Green Business Program. Among its business-related projects, EFC9 continued its efforts with the Regional Green Business Program, the Western Regional Pollution Prevention Network, and a new project, called ACT Environmentally, which encourages the placement of environmentally beneficial products and behaviors on television and in movies. EFC9 also embarked upon three new projects that focus on the harmful chemicals used in the hair and nail salon industry, as well as efforts to promote a cohesive California chemicals policy, and California environmental incubators.

ACTIVITIES & ACCOMPLISHMENTS



Completed Projects & Initiatives

NETWORK COORDINATION AND PARTNERSHIPS

EFC9 continues coordination and outreach activities with other EFCs, the Environmental Financial Advisory Board (EFAB), and EPA. The EFC Network and EFAB have become an extension of EFC9's capabilities, contributing valuable insight into numerous environmental and financial issues and providing new work and investigation opportunities for EFC9. As an expert witness to the EFAB, EFC9 participates in two EFAB workgroups. The first workgroup examines the financial assurance for the long-term environmental health of a company and the land it occupies. EFC9 is working with a number of EFAB members as well as the Kentucky EFC on this project. The second workgroup examines the financial value of developing a corporate environmental management system (EMS). Both EFC9 and the Syracuse EFC are participating in this workgroup.

As the current network president, the EFC9 director maintains constant contact with all EFCs. In addition, the EFC9 director maintains an ongoing relationship with the other network officers, specifically the directors of the EFCs in Maine and North Carolina, which currently hold the vice president and secretary positions. The network officers work together to develop agendas, plan presentations, and make arrangements for the EFC network's biannual meetings. In addition, network officers plan presentations for the biannual EFAB meetings and update the EFAB on the status of each workgroup.

ACT ENVIRONMENTALLY: ENVIRONMENTALLY BENEFICIAL BEHAVIOR PLACEMENT IN TELEVISION

In 2004/2005, EFC9 proposed to adopt the private sector concept of "product placement" to encourage placing environmentally beneficial products and

In 2005, EFC9...

- ◆ Engaged in one progressive new project idea.
- ◆ Engaged in a dozen activities supporting Green Business Programs.
- ◆ Attended, participated in, or presented at 10 meetings and conferences.

behaviors on television shows. Possible examples included having actors bring cloth bags to the grocery store, recycle soda cans, use worm bins, and consider how to properly dispose of a computer monitor or other electronic waste.

In consultation with EPA, EFC9 gathered and evaluated information regarding the placement of environmentally beneficial behavior in television shows. Through informal meetings with targeted groups, EFC9 determined certain environmentally beneficial behaviors on which to focus. EFC9 identified target markets, including specific groups within the markets, and determined which groups would be most receptive to each message. Finally, EFC9 identified target shows, television stations, and/or studios receptive to the environmentally beneficial behavior placement concept and determined which would most effectively reach the target markets.



ACTIVITIES & ACCOMPLISHMENTS

In consultation with EPA, EFC9 created a list of eight to 10 best potential environmentally beneficial behavior messages. EFC9 also developed methods to measure the success of environmentally beneficial behavior message placement, including tracking numbers of viewers for each show. An early achievement was the placement of pollution prevention posters in the Coast Guard background scenes in the film, “Yours, Mine and Ours.”

Throughout 2005, EFC9 continued to contact and work with shows, studios, and industry personnel on environmentally beneficial behavior and product placement. To date, EFC9 has succeeded in contacting every show it identified, and every producer has been interested in the idea, which is called ACT Environmentally. As a result, EFC9 has become more strategic about what and how many shows it contacts because each production has its own set of requests in response to ACT Environmentally. In follow-up tasks to the EFC’s initial efforts, EFC9 has accomplished the following:

- In June 2005, EFC9 held an industry roundtable with individuals who have worked in television and movie production and product placement to solicit their feedback on EFC9’s efforts and suggest other ways to green the industry.
- Via e-mail, phone calls, and several in person meetings, EFC9 staff worked with the executive producer of a new HBO series, “Lucky Louie,” that aired January 2006.
- EFC9 staff attended the Set Decorators Society of America Marketplace to inform set decorators about this project.
- EFC9 staff met and held conference calls with Disney staff to explore the feasibility of introducing the ACT Environmentally concept to the Disney Corporation.
- EFC9 has developed a growing portfolio of products for placement.

- EFC9 provided information on green landscapers to “Landscape Smart,” an HDTV program that showcases landscape redesign.
- EFC9 provided targeted suggestions on green products and behaviors to a new HBO series, “Lucky Louie” that aired January 2006.
- EFC9 developed and shared environmental behaviors suitable to specific ABC shows and characters within those shows.
- EFC9 developed a pro bono partnership with a product placement expert in Los Angeles.

As a result of the EFC’s work in 2005, EFC9 expects to develop a partnership with the Disney Environmental Division to introduce ACT Environmentally to the Disney television fall shows, which run on the ABC, Disney Channel, ESPN, and ABC Family networks. EFC9 is working with set decorators from the hospital-based shows on the three major networks (ABC, NBC, and CBS) and will have environmental posters and products placed in the 2006 fall season.



WESTERN REGIONAL POLLUTION NETWORK (WRPPN) SESSION DEVELOPMENT

EFC9 worked with the Western Regional Pollution Network (WRPPN), headquartered in Reno, Nevada. The WRPPN is a strategic alliance involving local, state, federal, and tribal pollution prevention

ACTIVITIES & ACCOMPLISHMENTS

programs throughout EPA Region 9. WRPPN was established in 1997 by EPA to improve communication and spread useful information among network members to increase the efficiency of pollution prevention implementation. As a member of the WRPPN Steering Committee, EFC9 helps determine the network's annual direction and develops and facilitates several sessions at the annual conference. For the September 2005 WRPPN Conference, EFC9 developed and led sessions on chemical legislation and policy in the United States and abroad, emerging pollutants, and the Green Business Program's relationship to state and federal agencies.

GREEN BUSINESS PROGRAM (GBP) COORDINATION

Supported by EPA funding, EFC9 continued its role as the Western Regional Green Business Program Coordinator to promote, develop, and institutionalize multimedia pollution prevention and resource conservation in Region 9 businesses, while ensuring consistent growth and continuity for regional green business programs. Specifically, EFC9 worked in partnership with San Francisco and Sacramento counties, as well as the Bay Area Green Business Program, CalEPA, and EPA to achieve the following tasks:

- Facilitated development of statewide GBP network.
- Provided grant opportunities for start-up GBPs that agreed to accept Bay Area Green Business standards as a baseline.
- Assisted start-up GBPs in San Francisco and Sacramento to help launch their programs.
- Provided basic information and presentations on the GBP throughout the region, including the annual WRPPN conference.
- Helped new and existing GBPs identify, establish, and expand partnerships with key agencies and organizations.
- Supplied technical assistance to all GBPs.

- Helped create industry-specific beyond compliance checklists.
- Hosted a GBP resource Web site.
- Sought broad support at the state and national level for the expansion of the GBP concept.

Promoting and Coordinating Green Business Programs State- and Regionwide

EFC9 provided basic information and presentations on the GBP throughout the region with presentations at the annual WRPPN conference. EFC9 developed a standard presentation that promotes the GBP concept generally, but also identifies Bay Area GBP standards as the guideline and baseline from which all new GBPs will be expected to develop. In return for accepting Bay Area GBP standards, emerging GBPs will benefit from partnering with EFC9 and other Region 9 GBPs. EFC9 staff have also assisted communities interested in developing their own program by providing CDs with GBP overview, Green Government Pledge, and checklists to more than 25 different agencies.

In addition, EFC9 facilitated GBP events at the annual WRPPN conference and continued to coordinate all GBP efforts throughout the region. EFC9 continued to maintain and update the GBP resource Web site, including its Green Business Recognition Program Clearinghouse, which includes program descriptions and guidance, checklists, and links to technical and other resources.

Assisting New and Existing Green Business Programs

EFC9 helped new and existing GBPs identify, establish, and expand partnerships with key agencies and public, private, and nonprofit organizations. Examples of partners include state and local regulatory agencies, small business assistance programs such as the Green Team and Greening Southeast Asian Restaurants, appropriate trade associations, and the Department of Toxic Substances Control's "model shops" program.

ACTIVITIES & ACCOMPLISHMENTS

EFC9 also supplied technical assistance to all GBPs, when requested. When necessary, EFC9 worked with emerging GBPs to help them identify their needs. EFC9 has identified strong interest in developing a GBP by Ventura County and the city of Santa Monica and moderate interest by Fresno, Humboldt, Madera, and San Benito counties as well as the cities of Los Angeles and Torrance.

Developing a Regional Approach to Green Business

As of October 2005, there were 11 GBPs in Region 9, with 758 businesses and 49 government agencies verified as green. As the number of GBPs continues to grow, these programs need to be coordinated so that the GBP certification will not be diluted.

Coordination is the first step toward developing a Region 9 GBP in which all local coordinators will be working under the same guidelines and standards, toward the same end, and under the same logo. To that end, EFC9 organized and facilitated two GBP summits, a follow-up session at the annual WRPPN conference, as well as numerous conference calls and e-mail communications among all GBP coordinators in the region to identify their needs, desires, and concerns regarding regional coordination.

First Summit: EFC9 organized and facilitated an all-day Green Business Program Summit in Oakland, California, on April 25, 2005, attended by GBP coordinators from all nine active GBPs in California. Attendees agreed on the value of developing a statewide program and identified and agreed on key elements common to all GBPs. With assistance from EFC9, attendees prepared a draft mission statement, which served as the starting point for further discussion later in the year.

Other summit issues included possible administrative structures for the statewide organization, as well as the decision-making process (one program, one vote was the consensus). The summit concluded with an identification of next steps including electing how to address relationships with regional, state, and federal agencies; checklist development and coordination; organizational structure; key elements shared by all programs; and organizational purpose. Attendees signed up to

participate in subcommittees addressing each of these issues. Following up on the summit, EFC9 organized statewide conference calls and coordinated e-mail communication by the subcommittee participants.

WRPPN Session: At the annual WRPPN Conference, EFC9 facilitated a dialogue among the GBP Coordinators in California, focusing on the most critical issues identified at the summit. Topics included GBP relationships with federal and state agencies, how to respond to emerging programs, and the definition and key elements of a GBP. After considerable revisions, attendees agreed that to be a GBP, a program must agree to the following:

Element 1: The GBP is a “beyond compliance” program. A business cannot become a “green business” unless it is in compliance with environmental protection laws and regulations and has completed a minimum number of “beyond compliance” measures toward pollution prevention, waste reduction, and resource conservation.

Element 2: Verification of environmental regulatory compliance as well as “beyond compliance” performance is required by the GBP.

Element 3: After a pre-determined number of years, all participating businesses must undergo a renewal and verification process in order to continue their green business status.

Element 4: The network is committed to measuring the success of the program.

Element 5: The GBP is a voluntary program, free to participating businesses. There is no cost to become a green business.

In addition, attendees spent considerable time developing the California Green Business Program Network Operating Guidelines, which lay out the organizational mission, goals, membership, and operation of the network. This document was further refined during e-mail communication and conference calls following the conference.

ACTIVITIES & ACCOMPLISHMENTS

Finally, the WRPPN session concluded with identifying further issues to resolve, including: developing a logo, identifying how to work together to insure consistent checklists, sharing communication/information, and measuring program success.

Conference Calls: EFC9 set up and facilitated five conference calls among the GBP coordinators to address checklists, measurement, and communication/information-sharing.

Second Summit: EFC9 is planning a second summit to allow GBP coordinators to meet in person and resolve any of the critical outstanding issues in January 2006.

Providing Funding Opportunities for Emerging Programs

EFC9 assisted the start-up of new GBPs by providing grant opportunities. To support and guide the orderly growth of new GBPs, a major portion of this grant was committed to two emerging programs: San Francisco and Sacramento counties.

To participate, each new GBP agreed to adopt Bay Area Green Business Program standards and to work with other GBP coordinators throughout the state and region to ensure continuity and harmony.

A grant to the San Francisco Occupational and Environmental Health Section (OEHS) of the San Francisco Department of Public Health (DPH) allowed OEHS to expand the DPH Clean and Green Program to a variety of industry types and to

become the foundation for the San Francisco Green Business Program. The San Francisco Green Business Program partnered with available staff at the San Francisco Department of Environment, San Francisco Public Utilities Commission (PUC) and Pacific Gas and Electric (PG&E) to assist businesses with onsite audits and consultations, as well as answer questions and provide information on the latest techniques and alternative technologies available to that business type. The program is focusing the automotive repair sector, hotels, printers, marine repair, and hospitals.

The grant to the Business Environmental Resource Center (BERC), a unit of the Sacramento County Economic Development Department, allowed it to establish the Sacramento Green Business Recognition Program (SGBRP), a pilot GBP within Sacramento County (including the incorporated cities of Sacramento, Elk Grove, Galt, Isleton, Rancho Cordova, and Citrus Heights) and supported a regional Pollution Prevention Roundtable to serve the counties of Sacramento, El Dorado, Placer, Sutter, Solano, and Yolo. The pilot SGBRP focused first on automotive service operations and, secondly, on mobile contractors including carpet cleaners, landscapers, and power washers.

Program partners include:

- Sacramento County Environmental Management Department (EMD) (the local California designated Certified Unified Program Agency)
- Sacramento Metropolitan Air Quality Management District
- Sacramento County Department of Water Resources
- Sacramento Regional County Sanitation District
- Sacramento County Department of Water Quality
- Sacramento County Planning and Community Development Department



ACTIVITIES & ACCOMPLISHMENTS

- Sacramento County Building Inspection Division
- Sacramento Regional Solid Waste Authority
- City of Sacramento Department of Utilities – Storm Water Program
- Sacramento Municipal Utility District

PRESENTATIONS/CONFERENCES

EFC9 staff attended and participated in a wide variety of meetings and conferences in 2005, including the following:

- EFC directors' meeting in Washington, D.C. (March) and San Francisco (August).
- Annual Western Regional Pollution Prevention Network (WRPPN) conference in Lake Tahoe in September 2005 (as steering committee member).
- Golden Gate Pollution Prevention Committee (as co-chair: planned, attended, and recorded minutes).
- California Resource Recovery Association's Annual Meeting.
- Women's Foundation of California Environmental Health Summit titled, "In the Shadow of Pollution."
- Planned, attended, and participated in a United Nations World Environment Day session entitled "Protecting Environmental Health for the Long-Term: Models for Comprehensive Change," held in San Francisco.

- 2005 Regional Children's Environmental Health Summit in Helena, Montana.
- San Francisco Green Festival, in conjunction with the Bay Area Green Business Program.
- Green Business Program Development in Seattle; presented to participants from the states of Idaho, Oregon, Alaska, and Washington.
- Walt Disney Corporation Environmentality Program; met in June 2005, to develop a partnership based on the EFC9 project ACT Environmentally.

WEB SITE UPDATE

EFC9 moved its Web site to a new URL, <www.efc9.org>, and updated material and the presentation of the site to ensure that all reports and available information are current.

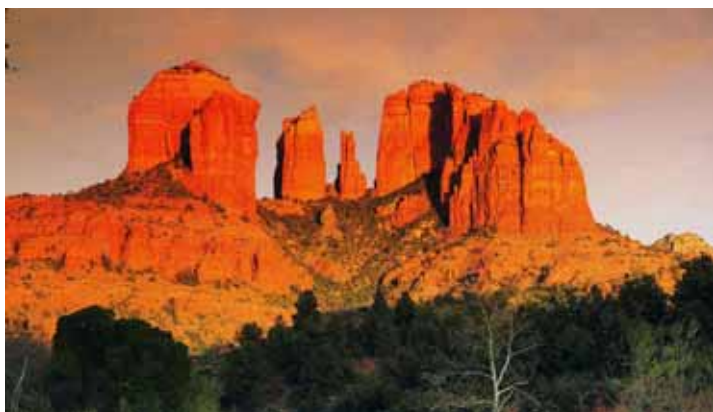
New Programs & Initiatives

TOXICS AND HAIR AND NAIL SALONS

EFC9 is laying the groundwork for planning a multi-stakeholder roundtable to address the hair and nail salon industry. Recent studies have found that the presence of chemicals in hair and nail products can adversely affect human health and the environment. For example, phthalates, which are found in many leading beauty care products, including hair spray and nail polish, can damage the liver, kidneys, lungs, and reproductive system. Sodium lauryl sulfate (SLS) and sodium laureth sulfate (SLES), widely used in hair conditioner and about 90 percent of all shampoos and products that foam, have been found to cause eye damage and skin inflammation and can weaken the immune system. Some studies suggest that hair relaxers might be connected to early onset of puberty, especially in African-American children. In addition, numerous studies have indicated that salon workers have a higher rate of several different types of cancer, including pancreas, cervix, lung, and breast. Since they are virtually unregulated, the environmental impact of products used in salons is currently unknown.



ACTIVITIES & ACCOMPLISHMENTS



As a result of these problems, EFC9 began the process of identifying and coordinating stakeholders to attend a salon roundtable meeting. The primary purpose of the meeting will be to facilitate an open exchange of information on the use and potential environmental and human health impacts of current salon products and practices and their alternatives. Meetings will also cover motivational impulses that influence product choices. The meeting will also seek to identify a set of information gaps and follow-up steps (including research needed) to be undertaken by some of the stakeholders.

To prepare for the upcoming roundtable meeting, EFC9 has been participating in meetings and conference calls of the California Healthy Nail Salon Workgroup as well as the national Healthy Nails Network Listserv, which was an outgrowth of the session EFC9 organized on Nail Salons for the 2004 WRPPN Conference. In addition, to educate EPA staff in Region 9, EFC9 organized and facilitated a presentation by Dr. Devra Davis, director of the Center for Environmental Oncology at the University of Pittsburgh. Finally, EFC9 attended meetings with EPA staff from Region 9 to begin the process of developing a roundtable partners list and identifying target ingredients and practices.

CALIFORNIA CHEMICALS POLICY

In partnership with EPA, the Women's Environmental Leadership Network (WELN), Commonweal, the Gellert Foundation, the Marisla Foundation, and California Assemblywoman Wilma Chan's office,

EFC9 will hold an educational roundtable on the possibility of developing a state-based chemical policy. As Europe comes closer to establishing a new, more comprehensive policy regarding chemicals, state industries and communities are wondering what it will mean to California. California citizens and companies are growing wary of the "single chemical" approach to regulating chemicals and wonder if there is a better and more proactive way to determine which chemicals are safe and how they should be regulated. The California legislature typically sees at least 10 bills per session devoted to individual chemicals and chemical uses. This approach is time-consuming, confusing, and damaging to industry, nonprofit organizations, government, and the general public. As a result, EFC9 has been asked to explore the possibility and ramifications, good and bad, of a California Chemical Policy.

In March 2006, EFC9 will plan and co-host a California Chemical Policy Symposium to educate attendees on current policy as well as potential options for the state. The one-and-a-half day symposium will be held in downtown Oakland and will include panel sessions and a stakeholder roundtable.

To prepare for the upcoming symposium, EFC9 has attended 10 planning meetings with partners and additional stakeholders, including representatives from University of California-Berkeley, the offices of California Assemblywoman Fran Pavley and California Assembly Speaker Fabian Nuñez, and numerous environmental justice advocates in California. The group developed the symposium attendee list, speaker list, and agenda. They also secured initial symposium speakers, including representatives from the California State Assembly, the European Union, and industry.

CALIFORNIA ENVIRONMENTAL INCUBATORS

More than 10 years after EFC9 was founded, the California Environmental Incubator project was established to revisit EFC9's roots and determine the status and success of environmental incubators in

ACTIVITIES & ACCOMPLISHMENTS



California. The original mandate for EFC9 was to help promote and finance new and innovative environmental technologies. In response, EFC9 planned, developed, and launched an environmental small business incubator, the Alameda Center for Environmental Technologies (ACET), to house and foster start-up environmental companies. Opened in 1995, ACET was one of six existing or planned environmental incubators in the state and was heralded as one of the most promising efforts to promote new

environmental technologies. In 2005, ACET was renamed Advancing California's Emerging Technologies and houses both environmental and biotechnical companies

The California Environmental Incubator project determined the status and success of environmental incubators in California. It also determined why some incubators succeeded while others failed, and provided closure to an effort that has been included in EFC9's task plan since its inception. In general, only one incubator has survived while the others, hampered by their narrow focus, were not sustainable over the long term and were forced to close their doors.

Contact

◆ Sarah Diefendorf, EFC Director
Phone: (415) 346-3323
Cell: (415) 999-6978
E-mail: sdief@aol.com



Outcomes

As a result of the activities and accomplishments outlined in the previous section, outcomes have included the following:

- Raised awareness of environmentally beneficial behaviors by marketing the placement of them in television and movies.
- Increased awareness and fostered networking to facilitate the development of and continue the effectiveness of regional Green Business Programs.
- Increased awareness of the health and environmental impacts of hair and nail products.
- Increased awareness of the “single chemical” approach to regulating chemicals and possibility of a California Chemical Policy.

Impacts

In 2005, EFC9 continued its mission to encourage businesses to undertake source reduction, pollution prevention, and energy conservation. It continued to educate and encourage consumers to choose green products and services. Specific environmental issues addressed through EFC9’s activities and accomplishments include the following:

- Environmental Management Systems
- Pollution prevention
- Resource conservation
- Green products
- Environmental behaviors
- Chemical policies